



JOHNSON & JOHNSON,  
Opposer,

-versus-

PACIFIC PHARMACEUTICALS  
GENERICS, INC.,  
Respondent- Applicant.

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IPC No. 14-2010-000083  
Opposition to:  
Appln. Serial No. 4-2009-0057601  
Filing Date: 30 July 2009  
TM: "DEXACORT"

**NOTICE OF DECISION**

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**GREETINGS:**

Please be informed that Decision No. 2014 - 148 dated May 30, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 30, 2014.

For the Director:

  
**Atty. EDWIN DANILO A. DATING**  
Director III  
Bureau of Legal Affairs



**JOHNSON & JOHNSON,**  
*Opposer,*

- versus -

**PACIFIC PHARMACEUTICALS  
GENERICS, INC.,**  
*Respondent-Applicant.*

X -----X

**IPC No. 14-2010-00083**

Appln. Serial No. 4-2009-007601

Filing Date: 30 July 2009

Trademark: **"DEXACORT"**

Decision No. 2014 - 148

### DECISION

JOHNSON & JOHNSON,<sup>1</sup> filed an opposition to Trademark Application Serial No. 4-2009-007601. The application, filed by PACIFIC PHARMACEUTICALS GENERICS, INC. (Respondent-Applicant)<sup>2</sup>, covers the mark "DEXACORT" for use on "pharmaceutical product namely food corticosteroid" under class 05 of the International Classification of Goods and Services<sup>3</sup>.

The Opposer interposes the following grounds for opposition:

"1. The trademark 'DEXACORT (word)' applied for registration by Respondent-applicant is identical and confusingly similar with Opposer's wordmark: 'DAKTACORT' not only by way of spelling but also by way of sound ('idem sonans'), and for having been a mere derivative of the said Opposer's registered wordmark DAKTACORT which has been registered in the Philippines and which has been in use since January, 1972 in the Philippines and continues to be used to this date and also in various countries of the world for goods 'human antimycotic, i.e., a pharmaceutical preparation to suppress the growth of fungi in humans' falling under class 05. Registration of the mark DEXACORT for the same goods under class 5 will thus, be likely, cause confusion, or mistake, and deception to the purchasing public when used or applied to or caused to be used in connection with the goods of Respondent-Applicant.

"2. The registration of the trademark 'DEXACORT (word)' in the name of the Respondent-Applicant will violate section 123.1, subparagraph (d) of Republic Act No. 8293, as amended, otherwise known as the New Intellectual Property Code of the Philippines; as well as, Section 6bis and other provisions of the Paris Convention of the Protection of Intellectual Property of which the Philippines is a member country.

"3. The registration and use of the trademark 'DEXACORT (word)' under same goods and class 5 as that of Opposer's mark DAKTACORT will diminish the distinctiveness and dilute the goodwill of Opposer's (DAKTACORT) mark for goods: 'human antimycotic, i.e., a pharmaceutical preparation to suppress the growth of fungi in humans,' under the same class of Class 05.

"4. In addition, the registration of that Respondent-Applicant's "DEXACORT" applied to be registered under Class 5 similar to that of Opposer's goods which registration gives rise to a

<sup>1</sup> A corporation duly organized and existing under the laws of State of New Jersey, U.S.A.

<sup>2</sup> A domestic corporation with office address at No. 3/F LC Bldg., 459 Quezon Avenue, Quezon City, Metro Manila.

<sup>3</sup> The Nice Classification of goods and services is for registering trademark and service marks, based on a Multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

likelihood of forestalling the normal potential expansion of Opposer's business relating to the future development of its products represented by its own mark 'DAKTACORT.'

"5. The registration of the trademark 'DEXACORT' in the name of the Registrant-Applicant will be in violation of Opposer's proprietary rights and interest on Opposer's mark 'DAKTACORT' and, if any of derivatives of Opposer's mark DAKTACORT is allowed registration, as in the case of Respondent-Applicant's mark DEXACORT, such registration will mislead the general public to believe that Opposer has authorized Respondent-Applicant to manufacture, sell, and offer for sale to the general public its products, and sell, and/or, offer for sale said products with modified mark derived from its registered trademark 'DAKTACORT,' in which situation, the general public will be misled to believe that Respondent-Applicant's business is in any way connected with or related to the Opposer's business and its organization and/or its business activities; let alone mislead and confuse the general public to believe and assume that the Respondent-Applicant is a subsidiary of Opposer company authorized to sell and offer for sale Opposer's goods or products thereby violates Opposer's own business identity itself.

"6. The registration of the trademark 'DEXACORT' in the name of Respondent-Applicant will undoubtedly result and/or cause great and irreparable injury to the Opposer's mark DAKTACORT, as well as, its rights and interests thereon as the duly registered owner of the said mark under Certificate of Registrations as shown in the instant opposition."

The Opposer's evidence consists of the following:

1. Exhibit "A" and Annexes "A" to "E"- Verified Opposition (including Affidavit of Brian Jaenicke, Certified True Copy of Certificate of Renewal of Registration of DAKTACORT, Copy of Certificate of Renewal of Registration; List of Worldwide Registration of DAKTACORT, and Sales Performance;
2. Exhibit "B" - Certificate of Product Registration;
3. Exhibits "C" - List of Key Marketing Activities;
4. Exhibits "C-1" - "C-5" - Downloaded print marketing ads; and,
5. Exhibit "D" - Sample of product packaging.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 05 May 2010. Respondent-Applicant however, did not file an answer. Thus, Respondent-Applicant was declared in default and the case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark DEXACORT?

It is emphasized that the essence of trademark registration is to give protection to the owners of the trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him who has been instrumental in bringing into the market a superior article or merchandise; the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.<sup>4</sup>

Thus, Sec. 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ('IP Code') provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same

<sup>4</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No., 115508, 19 Nov. 1999.

goods or services or closely related goods or services or if it nearly resembles such mark as to be likely to deceive or cause confusion.

The records and evidence show that at the time the Respondent-Applicant filed the subject trademark application on 30 July 2009, the Opposer has already an existing Philippine trademark registration for the mark DAKTACORT on 24 April 1987, and renewed last 24 April 2007 covering class 05 of the International Classification of Goods for human antimycotic, i.e, a pharmaceutical preparation to suppress the growth of fungi in humans.<sup>5</sup>

But are the competing marks, as shown below, identical or similar or resemble each other such that confusion, mistake or deception is likely to occur?

DAKTACORT

DEXACORT

Opposer's Trademark

Respondents-Applicants' Trademark

The competing marks contain the suffix "CORT". "CORT" however, was obviously rooted from the term "corticosteroid" or "corticoid", which is a substance component of the goods.<sup>6</sup> Technically, it is any similar synthetic substance, used in treating inflammatory and allergic diseases; or any steroid hormone produced by the adrenal cortex that affects carbohydrate, protein, and electrolyte metabolism, gonad function, and immune response.<sup>7</sup> It appears that there is the intention to make the marks identified or associated with the generic term "corticosteroid" or "corticoid". Thus, this similarity is not sufficient to reach a conclusion that there is the likelihood of confusion, much less deception. However, what bears resemblance to each other is the presence and positions of the prefixes "DAKTA" of the Opposer vis-a-vis the prefix "DEXA" of the Respondent-Applicant. The letters D and A in thereof, when pronounced in its entirety are sufficient to produce similar sounds. In totality, the visual and aural similarities are rational enough to conclude the existence of likelihood of confusion.

Also, considering the goods carried by the contending marks, there is no doubt that the indicated goods in the Opposer's Registration Certificate for "DAKTACORT" under Class 05 as "human antimycotic, i.e, a pharmaceutical preparation to suppress the growth of fungi in humans"<sup>8</sup> is similar or related to Respondent-Applicant's "DEXACORT" under Class 05 as "pharmaceutical product namely as food corticosteroid".<sup>9</sup> They are both pharmaceutical products sold in drugstores. As such, the consumers will have the impression that these products originate from a single source or origin or they are associated with one another. The likelihood of confusion therefore, would even subsist not only on the purchaser's perception of the goods but on the origin thereof as held by the Supreme Court.<sup>10</sup>

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was

<sup>5</sup> Annex "B" of Exhibit "A" of Opposer.

<sup>6</sup> Exhibit "D" of Opposer; and Filewrapper records.

<sup>7</sup> Dictionary Reference, available at <http://dictionary.reference.com/browse/corticosteroid> (last accessed 29 May 2014).

<sup>8</sup> Id at 5.

<sup>9</sup> Filewrapper records.

<sup>10</sup> *Converse Rubber Corporation v. Universal Rubber Products, Inc., et. al.* G.R. No. 27906, 08 January 1987.

purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Hence, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

The Respondent-Applicant in the instant opposition was given the opportunity to explain its side and to defend its trademark application. However, it failed to do so. Accordingly, the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of the IP Code.

**WHEREFORE**, premises considered, the Opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2009-007601 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 30 May 2014.

  
**ATTY. NATHANIEL S. AREVALO**  
*Director IV, Bureau of Legal Affairs*